

3

Def.

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK

-----X  
UNITED STATES and STATE OF NEW YORK :  
ex rel. JANE DOE, :  
 :  
Plaintiff, :  
 :  
v. :  
 :  
EDUCATION HOLDINGS 1, INC., f/k/a :  
THE PRINCETON REVIEW, INC., and :  
STEPHEN GREEN, :  
 :  
Defendants. :  
-----X

09 Civ. 6876 (BSJ)

**STIPULATION AND ORDER OF  
SETTLEMENT AND RELEASE**

-----X  
UNITED STATES OF AMERICA, :  
 :  
Plaintiff, :  
 :  
v. :  
 :  
EDUCATION HOLDINGS 1, INC., f/k/a :  
THE PRINCETON REVIEW, INC., :  
ANA AZOCAR, ZORAYMA AZOCAR, and :  
ROBERT STEPHEN GREEN, :  
 :  
Defendants. :  
-----X

WHEREAS, the United States of America (the "United States" or "Government") has intervened and filed an amended complaint-in-intervention (the "Federal Complaint") in this matter against Robert Stephen Green ("Green"), Ana Azocar, and Zorayma Azocar under the False Claims Act, 31 U.S.C. §§ 3726, *et seq.*;

WHEREAS, a signed Stipulation and Order of Settlement and Dismissal has been submitted for entry by the Court as to Green (the "Green Settlement Agreement"), settling the civil claims of the Government against Green for the conduct alleged as to Green in the Federal Complaint;

WHEREAS, separate signed Stipulations and Orders of Settlement and Dismissal have been submitted for entry by the Court as to Ana Azocar and Zorayma Azocar (collectively, the “Azocar Settlement Agreements”), settling the civil claims of the Government against Ana Azocar and Zorayma Azocar for the conduct alleged as to them in the Federal Complaint;

WHEREAS, pursuant to the terms of the Green Settlement Agreement, Green agreed to pay the Government two hundred and twenty-one thousand fifty-eight dollars (\$221,058) as set forth in paragraph 3 of the Green Settlement Agreement, in annual installments of \$11,052.90 (the “Green Settlement Amount”);

WHEREAS, Dana Smith (“Relator”) has asserted that, pursuant to 31 U.S.C. § 3730(d), she is entitled to receive a portion of the Green Settlement Amount;

WHEREAS, Dana Smith has agreed that she is not entitled to receive any money in connection with the Azocar Settlement Agreements;

WHEREAS, the Government and Relator (collectively, the “Parties”) mutually desire to reach a full and final compromise of Relator’s claims against the Government for a portion of the Green Settlement Amount, pursuant to the terms set forth below;

NOW THEREFORE, IT IS HEREBY ORDERED, upon the consent of the Government and Relator, by and through their respective counsel:

1. Contingent upon and following payment by Green to the Government of the amounts described below, the Government shall pay to Relator, through her attorneys, the amounts set forth below (inclusive of interest), according to written instructions provided by Relator’s attorneys:

- a. Contingent upon Green’s payment to the Government of \$221,058 in annual installments of \$11,052.90 as provided in paragraph 3 of the Green Settlement

Agreement, and within a reasonable time following the Government's receipt of each annual payment of \$11,052.90, the Government shall pay to Relator (inclusive of interest) the sum of \$2,210.58.

b. In the event that Green fails to pay or prepays any of the annual installments as set forth in subparagraph (a) above (whether because Green breaches the Green Settlement Agreement, or prepays, or for any other reason), the Government will pay Relator a share of those amounts actually received by the Government from Green in a sum equal to twenty percent (20%) of the amounts actually received by the Government from Green, within a reasonable time of the Government's receipt of the amounts.

c. In the event that any of Green's obligations under the Green Settlement Agreement are avoided for any reason, including, but not limited to, through the exercise of a trustee's avoidance powers under the Bankruptcy Code, such that the Government must return any portion of the Green Settlement Amount that Green previously paid to it and that it, in turn, paid to Relator, Relator shall return any such amount to the Government, within a reasonable time of the Government's request of the return of any such amount. Such request shall be communicated by undersigned Government counsel to Relator's attorneys, and communicated by Relator's attorneys to Relator.

2. Relator stipulates that this settlement of Relator's claims concerning the Green Settlement Amount is fair, adequate, and reasonable under all circumstances; Relator shall not challenge the Green Settlement Agreement or the Azocar Settlement Agreements; and Relator waives any opportunity for a hearing on any objection to the Green Settlement Agreement or the Azocar Settlement Agreements.

3. Upon receipt of the amounts identified in paragraph 1 above, Relator — for herself and her heirs, successors and assigns — shall release and shall be deemed to have released and forever discharged the Government from: (1) any claims for a share of the Green Settlement Amount, including any claims pursuant to 31 U.S.C. § 3730(d); and (2) any other claims arising from or relating to the filing of the above-captioned action as against Green, Ana Azocar, or Zorayma Azocar.

4. This Stipulation and Order shall be null and void if the Green Settlement Agreement is voided, including if a court holds that the Green Settlement Agreement is not fair, adequate, and reasonable pursuant to 31 U.S.C. § 3730(c)(2)(B).

5. This Stipulation and Order does not resolve or in any manner affect any claims that the Government has or may have against Relator arising under Title 26, U.S. Code (Internal Revenue Code).

6. This Stipulation and Order shall be binding only on the Parties and their successors, assigns and heirs.

7. The undersigned Government signatory represents that he is signing this Stipulation and Order in his official capacity and that he is fully empowered and authorized to do so.

8. This Stipulation and Order may not be changed, altered or modified, except by a written document signed by the Government and Relator.

9. This Stipulation and Order shall be governed by the laws of the United States. The Parties agree that the exclusive jurisdiction and venue for any dispute arising under this Stipulation and Order shall be the United States District Court for the Southern District of New York.

10. This Stipulation and Order may be executed in counterparts, each of which shall constitute an original and all of which shall constitute one and the same agreement.

11. This Stipulation and Order is effective on the date the Court enters this Stipulation and Order.

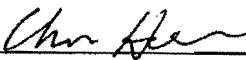
Agreed to by:

**THE UNITED STATES OF AMERICA**

Dated: New York, New York  
January 29, 2013

PREET BHARARA  
United States Attorney for the  
Southern District of New York

By:

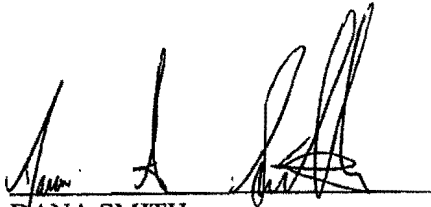
  
CHRISTOPHER B. HARWOOD  
Assistant United States Attorney  
86 Chambers Street, Third Floor  
New York, New York 10007  
Telephone: (212) 637-2728  
Facsimile: (212) 637-2786

*Attorney for the United States of America*

**RELATOR**

Dated: New York, New York  
January ~~18~~ 2013

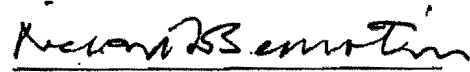
By:

  
DANA SMITH

*Relator*

Dated: New York, New York  
January ~~28~~ 2013

By:

  
TIMOTHY J. MCINNIS  
RICHARD F. BERNSTEIN  
The Law Office of Timothy J. McInnis  
521 Fifth Avenue, Suite 1700  
New York, New York 10175  
Telephone: (212) 292-4573  
Facsimile: INSERT

*Attorneys for Relator*

SO ORDERED:

  
UNITED STATES DISTRICT JUDGE

Dated: January 29, 2013